Print Date: 7/24/94

QUALITY COUNCIL
CONTROL & IMPROVEMENT PLAN

revised date: 6/30/94

	#	START DATE	PROBLEM	EVIDENCE	OBJECTIVE	TEAM MEMBERS	TEAM LEADER/ (ACCOUNTABLE)	TIMELINE	STATUS
QC (5-QC-A)	1	1/2/93	SPC Safety System has not been completed.	Lack of measurement systems.	Complete remaining 20-30% work needed to complete system.	D. Mertz (TL) J. Glass J. Brown C. Stariha V. Campbell J. Eells L. Alexander A. Tudor A. Timpano	C. Spellmeyer	Complete Training by July Shutdown	Sub-teams: MSDS: J&B P-7/93 D- 11/93 C - A - 3/15/94 COMM:C. WOOPSON P - 11/93 D - 12/93 C - 2/94 A - 6/94 INPUT: BARRINGTON P - 7/93 Communicate D - 11/93 to all by C - 1/94 2/1/94
QC	6		Current sheet production costs are above target levels specified in the Five-Year Plan and are trending upward.	-RL Tobacco cost increase yearly.	RL Configuration Projected savings $3.1 mil	B. Bailey (TL) M. Abel (TL) A. Annamanthadoo J. Campbell L. Thomas (sub-team leader)	K. Kriva	Project Team	Cost estimates due 7/1/94 650- 9/94
QC (3-PROJ-D)	7		Product received by the primaries results in process problems in primaries, pad return costs, and customer dissatisfaction.	-TQM - weekly % pad returns from MC = 0.2 to 1.8% pads -TQM - pads are the #1 customer complaint.	Reduce pads in RL product by 80% Projected savings $0.3 mil.	B. Giovenco J. Sharkey R. Braswell/L. Pullano Prod. Supv. Hourly (2) Maintenance	G. McConnell/ D. Donaher (TL)	Project Team 6/1/94	Changes implemented on Packers 3,4,5,6&7 Product problem with Packer #3
QC	8		Our current TQM's do not encompass critical measures (audits) of plant performance, being outside the TQM system use of these audits undermine the TQM's	No TQM exist for safety audit, sanitation, MES, environmental.	Develop TQM's to measure continuous improvement in all areas audited; safety, sanitation, materials evaluation, environment.	P. Werkmeister Resources: Area Coord - Safety APP/JEL - San CWM - MES JP - Env.	C. Spellmeyer	To QC Safety - ? San - 4/94 Env. -Pending level of audit MES - 2/15	Update QC in May Complete - Closeout approved MES Complete
QC	10		Negotiate labor contracts with both bargaining units that provide flexibility to meet the operational needs in 1995 and beyond -- resulting in a more economical operation.	Present method of performing tasks.	Identify and define non-traditional activities to provide greater flexibility in meeting operational needs in the future. Improve the working relationship between the two unions.	L. Halle G. L. McConnell P. V. Jamison J. E. Narron	J. Narron	9/94 - BCT 12/94 - IAM	On Schedule
QC AQP	11	1/30/94	Plant operational costs (labor, energy, rejects,) are excessive during plant start-ups and shutdowns.	-DN operational energy is $200,000/year when equipment is not needed. -Reject levels at start-up can exceed 20,000 lbs. -Labor costs associated with non-production periods.	-Use July 1994 shutdown as before measure. -Improve Labor Cost, reject cost, energy cost, etc. as associated w/plant shutdowns.	Prod/Maint. Supv. Prod/Maint. Hrly Prod Supt. (TL) P/S Area Coord. Engineering (R)	P. Jamison E. Hargress(TL)	P - 4/94 (1-6) D - C - A -	July gather data Will measure after Shutdown
QC	16	1/30/94	An unsatisfactory customer/supplier relationship exists between plant Production and plant Maintenance personnel resulting in failure to show continuous improvement in vital few TQM's.	-Planned maint. growth needs. -Problem-solving resources availability. -Prod. operational training needs. -Downtime reports -Non conformance to Principle #8	Create an alignment for both departments that reduces confusion, augments day-to-day needs and supports long-term operational strategies.	L. Murphy E. Herald L. Maddra D. Jenkins C. Clairborne L. Thomas R. Braswell	P. Jamison G. McConnell	Project Team	Team on hold till Sept. to allow for plant personnel training.

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Source: https://www.industrydocuments.ucsf.edu/docs/xqgl0000

Print Date: 7/24/94

QUALITY COUNCIL
CONTROL & MAINTENANCE PLAN

revised date: 6/30/94

#	START DATE	PROBLEM	EVIDENCE	OBJECTIVE/TASK	TEAM MEMBERS	TEAM LEADER/ (ACCOUNTABLE)	TIMELINE	STATUS
3		Communication system is too cumbersome for effective use.	-Timeout data . -Lack of use	Simplify communications system and make user friendly.	Hourly IAM/BCT Supv. Supt/Mgr D. Nosal (TL)	D. Nosal (TL) C. Spellmeyer	Start - 1/94 End 7/94	Complete QC approved plant-wide sys. Encourage Dept's to develop own system.
4		Insufficient use and communication of Recognition System	-Timeout data -Lack of hourly use	Increase use and awareness of Recognition System.	D. Nosal	C. Martin	Start - 1/94 End - 4/94	Complete
9	1/1/94	We do not have a plan which matches plant production rate with RL demand.	-RL inventory level -RL forecast usage -Raw materials availability	Develop a Park 500 operating scenerio to meet company needs.	Defined Park 500 Personnel K. Kriva	J. Narron	9/94	Complete
10	2/1/93	Safety performance in General Laborer classification is not meeting requirements	-Plant safety TQM's -Pareto by job classification	-Use data analysis to identify common causes/conditon/activities, etc. and opportunities for improvement. -Reduce the number of recorded incidents (first-aid, near miss and recordables in the GL group (21 in 1993) by 50%.	Line II J. Brown (TL)	P. Jamison	Blending/Packing Data Review 2/94 Action Plan 8/94 MOE's 11/94 MTA - (WPA)	On Schedule
11	2/18/94	Safety performance in Maintenance Mechanical is not meeting requirements.	-Plant safety TQM's -Pareto by job classification	Identify common cause/activities/conditions etc. through data analysis. Initiate activities following analysis to improve performance for each group.	MEDMT	G. McConnell	Start - 2/18/94 Update - 7/94 End - 11/94	Action plan being developed.
12	6/94	No AOP for '94-'95.	Current Plan	Develop the 1994/1995 Plan	QC Members	J. Narron	9/15/94	On-Schedule

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Source: https://www.industrydocuments.ucsf.edu/docs/xqgl0000

PARK 500 1994 - 199o OPERATING PLAN

7/26/94 08:00 AM

Upside Scenario: "Domestic Usage" based on 350.0 B units in '94, 327.6 B units in '95, & 328.0 B units in '96.

Average Daily #'s of RL Usage Per Cigarette Production Day:	1994	1995	1996
	376,350	352,571	351,900

1994	JAN '94	FEB '94	MAR '94	APR '94	MAY '94	JUN '94	JUL '94	AUG '94	SEP '94	OCT '94	NOV '94	DEC '94	TOTAL '94
	Actual	Actual	Actual	Actual	Actual								
Beginning Domestic Inv., #'s	25,509,222	28,872,985	34,677,700	41,047,045	40,390,453	42,892,528	44,073,792	40,765,972	36,837,248	34,041,488	31,024,740	28,228,980	
Cigarette Production Days	19	20	22	19	19	22	15	23	20	21	20	17	237
Domestic Usage	6,762,707	7,089,735	8,234,925	7,237,452	6,879,810	8,447,736	5,759,820	8,831,724	7,679,760	8,063,748	7,679,760	6,527,796	89,194,973
Park 500 Production Days	31	28	31	21.5	31	30	15.5	31	30	31	30	21.7	331.7
Domestic Production, #'s	10,126,470	12,894,450	14,604,270	6,580,860	9,381,885	9,629,000	2,452,000	4,903,000	4,884,000	5,047,000	4,884,000	6,450,000	91,836,935
Export Production, #'s	5,108,679	-2,815	0	3,233,512	5,322,726	4,884,000	2,767,000	5,047,000	4,745,000	4,903,000	4,745,000	515,000	41,268,102
Total	15,235,149	12,891,635	14,604,270	9,814,372	14,704,611	14,513,000	5,219,000	9,950,000	9,629,000	9,950,000	9,629,000	6,965,000	133,105,037
Ending Domestic Inventory	28,872,985	34,677,700	41,047,045	40,390,453	42,892,528	44,073,792	40,765,972	36,837,248	34,041,488	31,024,740	28,228,980	28,151,184	
Domestic Duration (Days)	77	92	109	107	114	117	108	98	90	82	75	75	

1995	JAN '95	FEB '95	MAR '95	APR '95	MAY '95	JUN '95	JUL '95	AUG '95	SEP '95	OCT '95	NOV '95	DEC '95	TOTAL '95
Beginning Domestic Inv., #'s	28,151,184	27,293,495	25,106,405	23,191,003	18,399,033	22,588,299	20,347,287	17,643,782	15,375,809	13,839,939	12,277,108	15,625,388	
Cigarette Production Days	19	20	22	20	19	22	15	23	20	21	20	17	238
Domestic Usage, #'s	6,698,849	7,051,420	7,756,562	7,051,420	6,698,849	7,756,562	5,288,565	8,109,133	7,051,420	7,403,991	7,051,420	5,993,707	83,911,898
Park 500 Production Days	31	28	31	20	31	30	21	31	30	31	30	21	335
Domestic Production, #'s	5,841,160	4,864,330	5,841,160	2,259,450	10,888,115	5,515,550	2,585,060	5,841,160	5,515,550	5,841,160	10,399,700	6,003,965	71,396,360
Export Production, #'s	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	51,033,000
Total	10,093,910	9,117,080	10,093,910	6,512,200	15,140,865	9,768,300	6,837,810	10,093,910	9,768,300	10,093,910	14,652,450	10,256,715	122,429,360
					3 Lines						3 Lines	3 Lines	
Ending Domestic Inventory	27,293,495	25,106,405	23,191,003	18,399,033	22,588,299	20,347,287	17,643,782	15,375,809	13,839,939	12,277,108	15,625,388	15,635,646	
Domestic Duration (Days)	77	71	66	52	64	58	50	44	39	35	44	44	

1996	JAN '96	FEB '96	MAR '96	APR '96	MAY '96	JUN '96	JUL '96	AUG '96	SEP '96	OCT '96	NOV '96	DEC '96	TOTAL '96
Beginning Domestic Inv., #'s	15,635,646	19,874,161	22,295,531	20,431,391	15,689,341	19,927,856	17,738,106	15,081,166	12,865,126	11,379,176	14,913,891	18,312,091	
Cigarette Production Days	19	20	22	20	19	22	15	23	20	21	20	17	238
Domestic Usage, #'s	6,686,100	7,038,000	7,741,800	7,038,000	6,686,100	7,741,800	5,278,500	8,093,700	7,038,000	7,389,900	7,038,000	5,982,300	83,752,200
Park 500 Production Days	31	28	31	20	31	30	21	31	30	31	30	21	335
Domestic Production, #'s	10,924,615	9,459,370	5,877,660	2,295,950	10,924,615	5,552,050	2,621,560	5,877,660	5,552,050	10,924,615	10,436,200	2,621,560	83,067,905
Export Production, #'s	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	50,595,000
Total	15,140,865	13,675,620	10,093,910	6,512,200	15,140,865	9,768,300	6,837,810	10,093,910	9,768,300	15,140,865	14,652,450	6,837,810	133,662,905
	3 Lines	3 Lines			3 Lines					3 Lines	3 Lines		
Ending Domestic Inventory	19,874,161	22,295,531	20,431,391	15,689,341	19,927,856	17,738,106	15,081,166	12,865,126	11,379,176	14,913,891	18,312,091	14,951,351	
Domestic Duration (Days)	56	63	58	44	57	50	43	36	32	42	52	42	

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Source: https://www.industrydocuments.ucsf.edu/docs/xqgl0000

PARK 500 1994 - 1996 OPERATING PLAN

Upside Scenario: "Domestic Usage" based on 350.0 B units in '94, 327.6 B units in '95, & 328.0 B units in '96.

1) **Based on $.45 FET spread over 5 years.**

2) **Line I shuts down July 2 for the remainder of 1994.**

3) **Line speeds are adjusted for moisture loss (or the "885 # HHD Factor").**

1994 Line speeds: Line I = 162,805 #'s/ day (420fpm); Line II = 162,805 #'s/day(420fpm); Line III = 158,171 #'s/day (390fpm).
(This is the reverse of what was defined in the '94 O.B., i.e. Line I&II=158,171 Line III=162,805.)

1995 & 1996 Line speeds for all 3 lines = 162,805 #'s/ day (420fpm).

4) **"Domestic Usage" includes Domestic RL used in the production of export cutfiller requirements.**

5) **"Export Production" based on Leaf Dept's '94 2nd Revised Forecast.**

6) **1995 Line Production Schedule:**

	JAN '95	FEB '95	MAR '95	APR '95	MAY '95	JUN '95	JUL '95	AUG '95	SEP '95	OCT '95	NOV '95	DEC '95
Line I	Run	-	-	-	Run	-	Run	Run	Run	Run	Run	Run
Line II	Run	Run	Run	Run	Run	Run	-	-	-	-	Run	Run
Line III	-	Run	Run	Run	Run	Run	Run	Run	Run	Run	Run	Run

1995 Production Schedule Notes:

Do not allow domestic durations to drop below 30 days.	No new products in '95.
Line II down Jul-Oct: Head Box/Controls Upgrade.	Three lines cannot run more than 65 consecutive days.
(Final approval for Controls Upgrade by Aug '94.)	No open market RL.
Line III down Jan for Nozzel Box.	Prefer to run three lines in cooler months.
RLB qualified for production on Line III (by Oct. '94).	Don't run three lines during peak energy load evaluation.
Routine maint. required on Line I. (Follow std. SD.)	Only 2 lines run Jun - Aug for Boiler NOx Conversion.
30 day notice required prior to starting up Line I.	Three 10 day common line shutdowns.
	(1.5 days on each end of shutdowns for bringing lines down and back up.)

Source: https://www.industrydocuments.ucsf.edu/docs/xqgl0000

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PARK 500 1994 - 199(OPERATING PLAN

7/28/94 08:05 AM

Downside Scenario: "Domestic Usage" based on 339.7 B units in '94, 303.0 B units in '95, & 305.6 B units in '96.

Average Daily #'s of RL Usage Per Cigarette Production Day:	1994	1995	1996
	365,498	326,772	328,568

1994	JAN '94 Actual	FEB '94 Actual	MAR '94 Actual	APR '94 Actual	MAY '94 Actual	JUN '94	JUL '94	AUG '94	SEP '94	OCT '94	NOV '94	DEC '94	TOTAL '94
Beginning Domestic Inv., #'s	25,509,222	28,872,985	34,677,700	41,047,045	40,390,453	42,892,528	44,483,806	41,455,541	37,955,468	35,532,448	32,907,077	30,484,057	
Cigarette Production Days	19	20	22	19	19	22	15	23	20	21	20	17	237
Domestic Usage	6,762,707	7,089,735	8,234,925	7,237,452	6,879,810	8,037,722	5,480,265	8,403,073	7,307,020	7,672,371	7,307,020	6,210,967	86,623,067
Park 500 Production Days	31	28	31	21.5	31	30	15.5	31	30	31	30	21.7	331.7
Domestic Production, #'s	10,126,470	12,894,450	14,604,270	6,580,860	9,381,885	9,629,000	2,452,000	4,903,000	4,884,000	5,047,000	4,884,000	6,450,000	91,836,935
Export Production, #'s	5,108,679	-2,815	0	3,233,512	5,322,726	4,884,000	2,767,000	5,047,000	4,745,000	4,903,000	4,745,000	515,000	41,268,102
Total	15,235,149	12,891,635	14,604,270	9,814,372	14,704,611	14,513,000	5,219,000	9,950,000	9,629,000	9,950,000	9,629,000	6,965,000	133,105,037
Ending Domestic Inventory	28,872,985	34,677,700	41,047,045	40,390,453	42,892,528	44,483,806	41,455,541	37,955,468	35,532,448	32,907,077	30,484,057	30,723,090	
Domestic Duration (Days)	79	95	112	111	117	122	113	104	97	90	83	84	

1995	JAN '95	FEB '95	MAR '95	APR '95	MAY '95	JUN '95	JUL '95	AUG '95	SEP '95	OCT '95	NOV '95	DEC '95	TOTAL '95
Beginning Domestic Inv., #'s	30,723,090	30,355,582	28,684,472	27,336,648	23,060,658	22,693,150	21,019,716	18,703,196	17,028,600	16,008,710	14,987,658	13,967,768	
Cigarette Production Days	19	20	22	20	19	22	15	23	20	21	20	17	238
Domestic Usage, #'s	6,208,668	6,535,440	7,188,984	6,535,440	6,208,668	7,188,984	4,901,580	7,515,756	6,535,440	6,862,212	6,535,440	5,555,124	77,771,736
Park 500 Production Days	31	28	31	20	31	30	21	31	30	31	30	21	335
Domestic Production, #'s	5,841,160	4,864,330	5,841,160	2,259,450	5,841,160	5,515,550	2,585,060	5,841,160	5,515,550	5,841,160	5,515,550	2,585,060	58,046,350
Export Production, #'s	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	4,252,750	51,033,000
Total	10,093,910	9,117,080	10,093,910	6,512,200	10,093,910	9,768,300	6,837,810	10,093,910	9,768,300	10,093,910	9,768,300	6,837,810	109,079,350
Ending Domestic Inventory	30,355,582	28,684,472	27,336,648	23,060,658	22,693,150	21,019,716	18,703,196	17,028,600	16,008,710	14,987,658	13,967,768	10,997,704	
Domestic Duration (Days)	93	88	84	71	69	64	57	52	49	46	43	34	

1996	JAN '96	FEB '96	MAR '96	APR '96	MAY '96	JUN '96	JUL '96	AUG '96	SEP '96	OCT '96	NOV '96	DEC '96	TOTAL '96
Beginning Domestic Inv., #'s	10,997,704	15,679,527	18,567,537	17,216,701	16,197,391	20,879,214	19,202,768	16,895,808	15,216,404	14,197,094	13,174,826	12,155,516	
Cigarette Production Days	19	20	22	20	19	22	15	23	20	21	20	17	238
Domestic Usage, #'s	6,242,792	6,571,360	7,228,496	6,571,360	6,242,792	7,228,496	4,928,520	7,557,064	6,571,360	6,899,928	6,571,360	5,585,656	78,199,184
Park 500 Production Days	31	28	31	20	31	30	21	31	30	31	30	21	335
Domestic Production, #'s	10,924,615	9,459,370	5,877,660	5,552,050	10,924,615	5,552,050	2,621,560	5,877,660	5,552,050	5,877,660	5,552,050	2,621,560	76,392,900
Export Production, #'s	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	4,216,250	50,595,000
Total	15,140,865	13,675,620	10,093,910	9,768,300	15,140,865	9,768,300	6,837,810	10,093,910	9,768,300	10,093,910	9,768,300	6,837,810	126,987,900
	3 Lines	3 Lines		3 Lines	3 Lines								
Ending Domestic Inventory	15,679,527	18,567,537	17,216,701	16,197,391	20,879,214	19,202,768	16,895,808	15,216,404	14,197,094	13,174,826	12,155,516	9,191,420	
Domestic Duration (Days)	48	57	53	50	64	59	52	47	43	40	37	28	

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Source: https://www.industrydocuments.ucsf.edu/docs/xqgl0000

PARK 500 1994 - 1996 OPERATING PLAN

Downside Scenario: "Domestic Usage" based on 339.7 B units in '94, 303.0 B units in '95, & 305.6 B units in '96.

1) **Based on $.50 Lump Sum FET.**

2) **Line I shuts down July 2 for the remainder of 1994.**

3) **Line speeds are adjusted for moisture loss (or the "885 # HHD Factor").**

1994 Line speeds: Line I = 162,805 #'s/ day (420fpm); Line II = 162,805 #'s/day(420fpm); Line III = 158,171 #'s/day (390fpm).
(This is the reverse of what was defined in the '94 O.B., i.e. Line I&II=158,171 Line III=162,805.)

1995 & 1996 Line speeds for all 3 lines = 162,805 #'s/ day (420fpm).

4) **"Domestic Usage" includes Domestic RL used in the production of export cutfiller requirements.**

5) **"Export Production" based on Leaf Dept's '94 2nd Revised Forecast.**

6) **1995 Line Production Schedule:**

	JAN '95	FEB '95	MAR '95	APR '95	MAY '95	JUN '95	JUL '95	AUG '95	SEP '95	OCT '95	NOV '95	DEC '95
Line I	Run	-	-	-	-	-	Run	Run	Run	Run	Run	Run
Line II	Run	Run	Run	Run	Run	Run	-	-	-	-	-	-
Line III	-	Run	Run	Run	Run	Run	Run	Run	Run	Run	Run	Run

1995 Production Schedule Notes:

Do not allow domestic durations to drop below 30 days.	No new products in '95.
Line II down Jul-Dec: Head Box/Controls Upgrade.	Three lines cannot run more than 65 consecutive days.
(Final approval for Controls Upgrade by Aug '94.)	No open market RL.
Line III down Jan for Nozzel Box.	Prefer to run three lines in cooler months.
RLB qualified for production on Line III (by Oct. '94).	Don't run three lines during peak energy load evaluation.
Routine maint. required on Line I. (Follow std. SD.)	Only 2 lines run Jun - Aug for Boiler NOx Conversion.
30 day notice required prior to starting up Line I.	Three 10 day common line shutdowns.
	(1.5 days on each end of shutdowns for bringing lines down and back up.)

Source: https://www.industrydocuments.ucsf.edu/docs/xqgl0000